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SIBERIAN MINING GROUP COMPANY LIMITED

西伯利亞礦業集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1142)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders and potential investors of the Company that based on the preliminary review of the draft unaudited consolidated management accounts of the Group for the year ended 31 March 2018 and other information currently available, the Group is expected to record a loss for the year ended 31 March 2018 as compared to a profit for the same period of last year, primarily attributable to (i) the decrease in reversal of impairment loss by approximately HK\$372 million on other intangible assets (in relation to mining rights of Lot 1 and Lot 1 Extension of the Group's Russian coal mines); (ii) the exploration and evaluation assets (in relation to mining rights of Lot 2 of the Group's Russian coal mines) recorded an impairment loss of approximately HK\$40 million in current year (year ended 31 March 2018) and yet there was a substantial reversal of impairment loss of the same exploration and evaluation assets of approximately HK\$1,918 million in last year (year ended 31 March 2017); (iii) increase of amortization of other intangible assets by approximately HK\$92 million; and (iv) increase in imputed interests of the Third Convertible Note by approximately HK\$46 million.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Siberian Mining Group Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

** For identification purpose only*

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that based on the preliminary review of the draft unaudited consolidated management accounts of the Group for the year ended 31 March 2018 and other information currently available, the Group is expected to record a loss for the year ended 31 March 2018 as compared to a profit for the same period of last year. Such estimated turnaround from profit to loss is primarily attributable to (i) the decrease in reversal of impairment loss by approximately HK\$372 million on other intangible assets (in relation to mining rights of Lot 1 and Lot 1 Extension of the Group’s Russian coal mines) due to the substantial increase in coal sales prices of certain type of coals and appreciation of Russian Rubles to United States Dollars of last year did not happen again in current year (year ended 31 March 2018); (ii) the exploration and evaluation assets (in relation to mining rights of Lot 2 of the Group’s Russian coal mines) recorded an impairment loss of approximately HK\$40 million in current year (year ended 31 March 2018) and yet there was a substantial reversal of impairment loss of the same exploration and evaluation assets of approximately HK\$1,918 million in last year (year ended 31 March 2017), also because of the substantial increase in coal sales prices of certain type of coals and appreciation of Russian Rubles to United States Dollars of last year did not happen again in current year (year ended 31 March 2018); (iii) increase of amortization of other intangible assets (in relation to mining rights of Lot 1 and Lot 1 Extension of the Group’s Russian coal mines) by approximately HK\$92 million due to increase in valuation of these other intangible assets in last year (year ended 31 March 2017); and (iv) increase in imputed interests of the Third Convertible Note by approximately HK\$46 million.

As the Company is still in the process of preparing its annual results for the year ended 31 March 2018, the information contained in this announcement is only based on the information currently available and the preliminary review of the draft unaudited consolidated management accounts of the Group for the year ended 31 March 2018, which are yet to be finalized and have not been reviewed by the Company’s Audit Committee, and which therefore are subject to adjustments. The annual results of the Group for the year ended 31 March 2018 are expected to be announced by the Company on or before 29 June 2018.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Siberian Mining Group Company Limited
Jo Sang Hee
Chairman

Hong Kong, 14 June 2018

As at the date of this announcement, the board of the Company consists of Mr. Jo Sang Hee and Mr. Ahn Kibaek as executive directors, and Ms. Chen Dai, Mr. Kwok Kim Hung Eddie and Mr. Lee Sungwoo as independent non-executive directors.

This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the Company’s website at <http://siberian.todayir.com>.